

STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 28, 2003

	February-03				January-03				December-02				September-02				Current	Prior Year	3 Years	5 Years
	Allocation				Allocation				Allocation				Allocation				Fiscal YTD	FY02	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Market Value	Actual	Policy	Quarter Net ROR	Net	Net	6/30/2002	6/30/2002
LARGE CAP DOMESTIC EQUITY																				
Structured Growth																				
AllianceBernstein	104,672	2.2%	2.3%	-0.87%	88,566	1.9%	2.3%	-2.36%	90,682	1.9%	2.3%	2.89%	88,119	1.9%	2.3%	-13.54%	-13.90%	-28.65%	-16.80%	N/A
Russell 1000 Growth				-0.46%				-2.43%				7.15%				-15.05%	-11.59%	-26.49%	-16.15%	N/A
Structured Value																				
LSV	95,754	2.0%	2.3%	-3.15%	99,019	2.1%	2.3%	-2.66%	101,706	2.1%	2.3%	6.53%	95,492	2.1%	2.3%	-18.60%	-18.25%	2.41%	5.40%	N/A
Russell 1000 Value				-2.67%				-2.42%				9.22%				-18.77%	-15.74%	-8.96%	-2.92%	N/A
S&P 500 Index																				
State Street	454,138	9.6%	10.5%	-1.50%	461,295	9.7%	10.5%	-2.62%	473,725	10.0%	10.5%	8.41%	436,958	9.6%	10.5%	-17.26%	-13.96%	-18.03%	-9.27%	3.58%
S&P 500				-1.50%				-2.62%				8.44%				-17.28%	-13.96%	-17.99%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	654,564	13.8%	15.0%	-1.67%	648,881	13.7%	15.0%	-2.60%	666,113	14.0%	15.0%	7.34%	620,568	13.6%	15.0%	-16.96%	-14.62%	-16.89%	-8.30%	3.74%
S&P 500				-1.50%				-2.62%				8.44%				-17.28%	-13.96%	-17.99%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY																				
Manager-of-Managers																				
SEI	214,507	4.5%	5.0%	-2.85%	220,885	4.7%	5.0%	-2.62%	226,769	4.8%	5.0%	4.91%	216,166	4.7%	5.0%	-19.31%	-19.91%	-11.77%	N/A	N/A
Russell 2000 + 200bp				-2.85%				-2.60%				6.68%				-20.97%	-20.22%	-7.96%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	214,507	4.5%	5.0%	-2.85%	220,885	4.7%	5.0%	-2.62%	226,769	4.8%	5.0%	4.91%	216,166	4.7%	5.0%	-19.31%	-19.91%	-11.69%	2.22%	4.32%
Russell 2000				-3.02%				-2.77%				6.16%				-21.40%	-21.31%	-8.59%	1.67%	4.44%
CONVERTIBLES																				
TCW	483,305	10.2%	10.0%	-1.58%	491,169	10.4%	10.0%	1.33%	484,597	10.2%	10.0%	8.15%	448,073	9.8%	10.0%	-10.05%	-2.98%	-20.37%	-2.22%	N/A
First Boston Convertible Index				0.17%				2.58%				9.83%				-8.47%	3.29%	-12.44%	0.11%	N/A
INTERNATIONAL EQUITY																				
Large Cap - Active																				
Capital Guardian	406,748	8.6%	9.0%	-2.30%	417,023	8.8%	9.0%	-4.73%	437,480	9.2%	9.0%	7.30%	408,577	9.0%	10.0%	-20.58%	-20.68%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				-2.13%				-4.94%				4.04%				-20.02%	-22.58%	-14.62%	-7.32%	-1.89%
Small Cap - Value																				
Lazard	44,507	0.9%	1.0%	-4.04%	46,366	1.0%	1.0%	-3.04%	47,790	1.0%	1.0%	N/A	-	0.0%	10.0%	N/A	N/A	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-0.20%				-1.50%				N/A				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	451,255	9.5%	10.0%	-2.24%	463,389	9.8%	10.0%	-4.60%	485,271	10.2%	10.0%	7.81%	408,577	9.0%	10.0%	-20.58%	-20.15%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				-2.13%				-4.94%				4.04%				-20.02%	-22.58%	-14.62%	-7.32%	-1.89%
DOMESTIC FIXED INCOME																				
Core Bond																				
Western Asset	1,259,482	26.6%	25.0%	1.55%	1,273,389	26.9%	25.0%	0.85%	1,260,272	26.5%	25.0%	2.96%	1,229,080	26.9%	25.0%	3.51%	9.15%	8.36%	8.53%	7.80%
Lehman Aggregate				1.38%				0.09%				1.57%				4.58%	7.78%	8.62%	8.10%	7.57%
Index																				
Bank of ND	680,891	14.4%	15.0%	1.75%	668,931	14.1%	15.0%	0.04%	668,538	14.1%	15.0%	1.65%	688,481	15.1%	15.0%	5.96%	9.62%	8.38%	7.79%	7.42%
Bank of ND CD'S	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
Total Index	680,891	14.4%	15.0%	1.75%	668,931	14.1%	15.0%	0.04%	668,538	14.1%	15.0%	1.65%	688,481	15.1%	15.0%	5.96%	9.62%	8.14%	7.66%	7.30%
Lehman Gov/Credit				1.78%				0.00%				1.73%				5.70%	9.43%	8.24%	7.86%	7.47%
BBB Average Quality																				
Strong	520,232	11.0%	10.0%	2.42%	509,036	10.8%	10.0%	0.36%	506,945	10.7%	10.0%	4.48%	487,305	10.7%	10.0%	3.08%	10.70%	N/A	N/A	N/A
Lehman US Credit BAA				2.28%				0.54%				4.59%				2.70%	10.46%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	2,460,605	51.9%	50.0%	1.79%	2,451,356	51.8%	50.0%	0.53%	2,435,755	51.2%	50.0%	2.89%	2,404,866	52.7%	50.0%	4.11%	9.61%	7.55%	7.88%	7.42%
Lehman Gov/Credit				1.78%				0.00%				1.73%				5.70%	9.43%	8.24%	7.86%	7.47%
CASH EQUIVALENTS																				
Bank of ND	476,192	10.0%	10.0%	0.11%	459,289	9.7%	10.0%	0.12%	459,252	9.7%	10.0%	0.41%	465,531	10.2%	10.0%	0.48%	1.13%	2.41%	4.76%	4.99%
90 Day T-Bill				0.09%				0.10%				0.43%				0.45%	1.07%	2.63%	4.68%	4.84%
TOTAL BONDING FUND	4,740,427	100.00%	100.00%	0.19%	4,734,968	100.00%	100.00%	-0.54%	4,757,758	100.00%	100.00%	4.21%	4,563,781	100.00%	100.00%	-4.50%	-0.82%	-2.86%	2.87%	6.19%
POLICY TARGET BENCHMARK				0.35%				-0.71%				3.96%				-3.96%	-0.52%	-1.19%	2.83%	5.77%

NOTE: Monthly returns and market values are preliminary and subject to change.